

LAMAR COUNTY BOARD OF COMMISSIONERS

Special Called Meeting

November 18th, 2016

1:00 p.m.

I. Call to Order

The meeting was called to order at 1:30 p.m. on November 18th, 2016. Present for the meeting were Chairman Glass, Vice-Chairman Thrash, Commissioner Horton, Commissioner Heiney, Commissioner Baker, County Administrator Zellner, County Clerk Davidson, Commissioner Elect Ryran Traylor, and County Auditor Robyn Underwood. County Attorney Mayfield was absent for the meeting.

County Auditor

Commissioner Baker contacted Mauldin and Jenkins who gave an explanation for the rise in cost over a five year period. For the first year there is about a 50 percent discount. They have 80 hours for partners at \$250.00 an hour. Commissioner Baker said that the reason that their number of hours were so much more than Ms. Underwood's hours was that it was a new assignment. The explanation on the go forward was that the hours come down but the fees would go up which goes toward the base fee. Commissioner Heiney and Commissioner Baker discussed the 35% increase with Mauldin and Jenkins and the fact that they are a much larger company with more people and a new set of eyes. Commissioner Heiney stated that he had checked around with other accounting firms and found that they agree that a firm should be changed every two years but wondered with an increase to what the county is currently paying if there would be a substantial increase in service. The board discussed having a 9.5 million dollar budget and a 35 percent increase. Commissioner Baker said that if he was a voter he would say that you haven't changed auditors in 20 years. Commissioner Baker stated that the bottom line is that you can stay with Ms. Underwood now and that it fine with him but, you are somewhat putting the county at risk. Commissioner Horton asked Ms. Underwood if she has another set of eyes. County Auditor Underwood stated that she has a secretary to act as another set of eyes but said that if you want something done right you do it yourself. Ms. Underwood said that she has done the Lamar County audit for the last 25 years and that the City of West Point used their previous auditor for over 50 years. Ms. Underwood stated that an auditor is like a doctor, you build a relationship and you know exactly where everything is and you know where to find it. Ms. Underwood also pointed out that if you raise issues, people get upset and if you don't raise issues people get upset. Ms. Underwood explained to the board that she has to go through a peer review every three years and she has to pay approximately \$7,000.00 for the review out of her own pocket. Ms. Underwood said that she just recently completed her three year review and that they looked at the audit from Lamar County and she passed the review. The review includes fraud and risk assessment, internal controls, individual items, cash disbursements, assessed risk across the board for all revenues, an entire check off list of revenue and expenditure items and balance sheets. Ms. Underwood stated that she attends 40 hours of seminars every year. Ms. Underwood stated that she has been in the business a long time and has more contacts in Local Government. She said that you don't have to make an adjustment for \$5,000.00 but stated that she cares and

she pays attention to all of the adjustments and she will do an adjustment for \$50.00 to \$6.00 because she wants it to be right; even down to the penny. Commissioner Baker stated that Mauldin and Jenkins offers educational training for all levels from clerical up to the administration level. Some of these services include, payroll tax services, retirement, and budgetary analysis and bond issues. Ms. Underwood stated that she does this and she has done the bond issues for the last 25 years. She said that there are certain services that a larger company can provide in addition to the audit and there are certain services that she can provide but some of them neither one of them can provide because it will violate the independence rule. Ms. Underwood stated that if the county wants to go with another auditor then she will find another client outside of her home base. Ms. Underwood stated that she does the City of West Point which is a lot bigger than Lamar County but said that she loves Lamar County. Commissioner Horton requested that Ms. Underwood bring anything out of the order to the board's attention. Commissioner Elect Traylor noted that he worked with a company called Health South that had a lot of issues and they had a whistle blower. They then brought in an outside auditor and they exposed things that lead to employees losing a lot of money. The idea behind it was that things weren't brought up and that was the biggest concern for Commissioner Elect Traylor and these are things we need. Commissioner Elect Traylor stated that if the board doesn't change auditors this year then they need to budget and plan for change the next year because he feels it needs to be on a rotational basis. Commissioner Elect Traylor stated that if we are getting feedback from Ms. Underwood this is part of her service and the board needs to listen to her or any firm. Commissioner Baker stated that the change in auditors is not directed personally towards Ms. Underwood and you don't have to be big to look at potential problems. County Administrator Zellner said that some years back they found employee fraud and an employee found the fraud, not the auditor, and brought it to the upper manager's attention and the auditor. Ms. Underwood was not the auditor at the time Ms. Underwood stated that it is not the auditor's job to look for fraud but she does look for fraud when doing the audit. Financial Director Townsend stated that Ms. Underwood found an employee stealing in Pike County when he was working for Pike County. Commissioner Baker noted that the biggest issue could be overstating or understating earnings and they rely on the auditor for this financial reporting. Commissioner Heiney asked Ms. Underwood if she works with regulators such as the Georgia Department of Revenue and Ms. Underwood stated that she does and informed the board that she has had to work with the Georgia Department of Revenue on certain issues in the county and because of her connections with the Georgia Department of Revenue she was able to get penalties abated. County Administrator Zellner that these type of issues could be prevented if educational training is provided and that Mauldin and Jenkins offers classes once a quarter. Commissioner Heiney stated that there are classes and information provided by the Association of County Commissioners (ACCG) and the Carl Vinson Institute. Ms. Underwood stated that the Georgia Department of Revenue offers training as well. Ms. Underwood stated that the county is not in best financial shape because the county has to borrow from the Tax Anticipation Note (TAN). County Administrator Zellner pointed out that we borrowed 3.7 million for 2016 and in 2015 we borrowed 4.0 million dollars therefore the TAN is less than in 2016 and currently we have already paid 1.5 million back as of November 18, 2016. Ms. Underwood pointed out that if you collect another 2 million dollars and pay the TAN back there will still be funds needed for operation. Commissioner Baker stated that the county has not had any layoffs and Commissioner Horton stated that he hopes that in coming years we won't have to have a TAN and County Administrator Zellner stated that this is the goal that the county is working on.

Chairman Glass called for a motion to approve the bid for the County Auditor. Commissioner Horton made a motion to continue with the present County Auditor J. Robyn Underwood CPA for three years with an option of renewal for 2 years. Commissioner Heiney seconded the motion. The motion passed unanimously.

Commissioner Elect Traylor made a request that if Ms. Underwood finds anything in question that she brings those things to his attention. Chairman Glass suggested that the county conduct a onetime peer review of the Lamar County audit in the future. Commissioner Elect Traylor inquired about suggestions not adhered to in general and Ms. Underwood stated that in the past year there were some things suggested. Ms. Underwood stated that Lamar County has a component unit with Solid Waste and they have another auditor. Ms. Underwood feels that there are some things on their audit that are not correct. These issues deal with their pension plan. Ms. Underwood said that the pension plan should be divided. The primary government which is Lamar County should not bear the whole entire liability. The Solid Waste Authority's liability should be on the books with their company but it's not. Ms. Underwood told the Solid Waste Authority auditor that she would be glad to divide the liability up the way that it should be for the employees. The amount of the employee liability should be reported on the Solid Waste Authority's audit. This was not done. Therefore, the whole entire liability falls on the primary government which is Lamar County. It is not through Lamar County that there is any fault. This is something that Ms. Underwood raised an issue with and thought that it should be corrected. Ms. Underwood stated that she can't make this happen but it was suggested. Another thing that Ms. Underwood suggested is to monitor the spending closer with the revenues that are coming into the county. Ms. Underwood stated that the county is still borrowing from the Tax Anticipation Note and the debt has increased. Ms. Underwood stated that this requires raising the millage. Ms. Underwood said this is an issue because this is a rural area and incomes aren't that high. The board discussed raising the millage and the fact that incomes are low in Lamar County. Commissioner Baker stated that he doesn't disagree with Ms. Underwood but as far as spending is concerned, compared to the surrounding counties, Lamar County is one of the leanest counties in the whole area. Commissioner Baker then noted that this doesn't mean there is not room for improvement. Commissioner Baker stated that he would love for the State to let the county collect taxes bi-annually or on your birthday. Chairman Glass stated that the Tax Commissioner would have to make this decision along with the State. Commissioner Baker stated that there would have to be a contingency of several million dollars not to be in good financial state. Commissioner Baker said that Lamar County is solvent.

III. Budget

Chairman Glass noted that there have been some changes since the last budget meeting. The insurance premium insurance tax came in higher than last year. Other changes to the budget include increases to the Commissioners travel by \$2,000.00 because Vice-Chairman Thrash is a board member of the National Association of Commissioners Office (NACO) and will have several out of state meetings to attend. Administration added \$17,000.00 to contracts for a needs analysis which increased the budget to \$25,570.00.

The Fire Department budget includes a full time Fire Chief at \$44,571.00. For the 2017 budget there will be 3 full time Firemen and 1 full time Fire Chief. In 2016 there was a part-time

employee and that position is not budgeted for 2017 therefore part of the Fire Chief's duty will be to take over this position performing administrative functions. On the revenue side, the insurance premium tax was increased to \$628,245.00 because the 2016 tax came in at \$605,759.79 as opposed to the \$528,000.00 that was budgeted. The total budget amount is \$9,572,800.00.

The board debated about giving a 3 percent raise across the board to employees and how they would be distributed amongst the departments and in what way the constitutional officers and the departments would divide the raises. The board discussed giving a 3 percent raise to employees in 2013 and equalization raises given in 2014. There were no raises given across the board in 2015 and 2016. Commissioner Baker noted that some of the employees in 2014 received substantial raises and that at one time the board discussed giving merit raises in lieu of cost of living raises. Chairman Glass stated that he felt a 3 percent raise was in line since cost of living raises had not been received in three years. Chairman Glass and the board reviewed total salaries for each department. Chairman Glass stated that the salaries for the Administration and the Clerk of Superior Court stands out the most. The board continued discussion on giving a 3 percent raise to all the department heads and allowing them to distribute the raise amongst their employees.

Sheriff White joined the meeting and requested that his salary increases be a percentage amount that he can divide among his employees. Sheriff White stated that he wanted to raise the jailer salaries from \$11.50 dollars because most of them are on food stamps. Sheriff White said that one of the biggest issues that he is having is related to employees on disability or worker's compensation.

Chairman Glass stated that he received a letter from the school system regarding closing Trojan Way. Sheriff White agreed that it needs to be closed. The school wants the road closed so they can begin construction on the new high school. Vice-Chairman Thrash stated that she is good with closing the road. Chairman Glass stated that they are a long ways from making a decision but he wanted the board to be aware of the request.

Sheriff White stated that he needs more money added to his budget for cars because all of his cars have high miles. Sheriff White stated that he needs to purchase another car and that he has lots of cars with lots of miles.

Sheriff White stated they used to write tickets and that with a 15 mile over traffic ticket you could charge \$70.00 to \$400.00 and then collect the add on fees. Probate Judge Martin was charging \$100.00 for a traffic violation but instead of charging for the add fees she was actually subtracting the fees from the \$100.00. The county only received \$40.00 from the traffic violation because of this subtraction. Sheriff White stated he tried to explain this to her and since she didn't change this practice, they quit writing tickets. Vice-Chairman Thrash stated that this explains why the board didn't see an increase in revenue for the Probate Judge even though Judge Martin went up on her fees. Sheriff White stated that they aren't writing tickets until Probate Judge Martin charges for the add on fees because it isn't cost effective compared to the number of deputies on duty. Vice-Chairman Thrash stated that they need to change the fee structure and Sheriff White stated that you can't make Probate Judge Martin change it.

Commissioner Baker stated that they need to hire more deputies. Sheriff White said that this wouldn't do any good until Probate Judge Martin changes her fine structure. There was discussion about revenue from housing inmates from other counties and Sheriff White stated that they received about \$23,000.00 from Spalding County and they receive a few inmates from Pike and Upson.

Sheriff White reported that Sylvia Pye with the Sheriff Office, who had cancer, is now cancer free and will be back on duty soon.

Vice-Chairman Thrash reported that on November 22, 2016 at 11:30 a.m. they are having a Law Enforcement Appreciation Lunch at the Garden Patch.

IV. Adjournment

Commissioner Horton made a motion to adjourn the Special Called Meeting at 3:30 p.m. and Vice-Chairman Thrash seconded the motion. The motion passed unanimously.

V. Re-Open Meeting

Chairman Glass re-opened the meeting for the purpose of approving the surplus of a Dodge Charger with VIN # 2B3KA43H57H770023 belonging to the Sheriff Office. Commissioner Horton made a motion to approve the surplus of the Dodge Charger and Commissioner Baker seconded the motion. The motion passed unanimously. Commissioner Horton made a motion to adjourn the meeting and Commissioner Baker seconded the motion. The motion passed unanimously.

THE LAMAR COUNTY BOARD OF COMMISSIONERS

Charles Glass, Chairman

Nancy M. Thrash, Vice-Chairman

Bennie Horton, Commissioner

Robert Heiney, Commissioner

Van Baker, Commissioner

Attest: _____ Carlette Davidson, County Clerk